**To:** Dravis, Samantha[dravis.samantha@epa.gov]

From: POLITICO Pro Energy Sent: Fri 4/6/2018 9:43:21 AM

Subject: Morning Energy: Pruitt watch: What comes next? — IG requests abound — GAO tells

Congress to ban coal self-bonding

By Kelsey Tamborrino | 04/06/2018 05:41 AM EDT

With help from Alex Guillén and Daniel Lippman

WHAT COMES NEXT? EPA Administrator Scott Pruitt fared seemingly well Thursday, at least comparatively — appearing in no contentious interviews and receiving a fuller backing from the president. Of course, that could all change today. White House officials, conscious of how quickly Trump's mind can change about defending top advisers, have avoided publicly making any definitive statements about how long Pruitt will remain in his job, POLITICO's Eliana Johnson and Andrew Restuccia report.

**RENT'S DUE:** Eliana and Andrew also report the administrator was sometimes slow to pay the rent on his \$50-per-night lease in Capitol Hill, according to two people with knowledge of the situation. Pruitt's lobbyist-turned-landlord had to pester him for payment, although it appears he eventually paid his back rent. More <u>here</u>.

**STRONG FEELINGS:** President Donald Trump <u>praised</u> Pruitt multiple times throughout Thursday, although he acknowledged that he would "have to look at" all of the reports on the EPA administrator. "He's been very courageous. It hasn't been easy, but I think he's done a fantastic job," Trump said of Pruitt. The president was returning from an event in West Virginia, where "they love Scott Pruitt," he said.

Meanwhile, Pruitt kept a low profile Thursday: The EPA chief headed to Kentucky, where he addressed members of the Association of Air Pollution Control Agencies on the agency's National Ambient Air Quality Standards attainment goal and the Trump administration's efforts to speed up the environmental permitting process. "EPA is making tremendous progress working with states and our co-regulators to improve air quality and provide regulatory certainty for local communities," Pruitt said in a statement released after the event.

And he may stay out of sight today too: Plans for a public event with Pruitt at the White House to announce changes to the air quality standards program today have apparently been shelved, but Trump still intends to sign an executive order on the subject, The Washington Post reports. Pruitt had said earlier this week that an announcement on the new policy was in the works, but EPA did not respond to ME's questions Thursday night.

**DRIP, DRIP:** More Pruitt stories emerged Thursday, culminating in an explosive report from The New York Times that detailed how at least five EPA officials were reassigned or demoted, or requested new jobs, after raising concerns about Pruitt's spending habits and ability to manage. Pruitt at one point requested the use of emergency sirens to get him and his security detail through D.C. traffic, including at least one trip to French restaurant Le Diplomate, according to the Times. Read the full report <a href="here">here</a>.

# Other Thursday headlines include:

- **Pruitt endorsed raises for two of his aides,** The Washington Post <u>reports</u>, though he left it to others to actually carry out the pay increases. Two EPA officials and one from the White House told the Post that Pruitt told subordinates to give the raises to senior counsel Sarah Greenwalt and Millan Hupp, his director of scheduling and advance, both of whom had worked for him in Oklahoma.
- Even with the continued spray of scandals, CNN reported Trump floated replacing Attorney General Jeff Sessions with Pruitt as recently as this week. "He was 100 percent still trying to protect Pruitt because Pruitt is his fill-in for Sessions," one source familiar with Trump's thinking told CNN.
- The Department of Consumer and Regulatory Affairs issued a citation to the owner of Pruitt's condo, due to lack of proper licensing to rent the unit. A NBC 4 Washington reporter tweeted the fine could hit \$2,034.

**THE \$16,000 SEAT:** That's about how much it cost for Pruitt to fly to Morocco last year, according to a new letter from the top Democrat on the House Oversight Committee, citing documents the panel received from EPA. Rep. <u>Elijah Cummings</u> said the documents showed "that Mr. Pruitt's seat cost \$16,164," but were insufficient to determine the full costs for Pruitt and his aides on that and other trips. He asked Oversight Chairman Trey Gowdy to issue a subpoena for more. Read that letter here.

WHERE THE GOP STANDS: Republicans aren't going to give up a fight for Pruitt's permanence any time soon. A leadership aide <u>tells</u> POLITICO's Burgess Everett that the Senate won't be able to confirm a conservative EPA administrator if Pruitt is canned. That may contribute to the choir of GOP voices who are still standing firmly in the embattled EPA administrator's corner. Conservatives like Sens. <u>Rand Paul</u> and <u>Ted Cruz</u> vocalized their support on Twitter Thursday. "He's been an effective member of the President's team," Sen. <u>Jim Inhofe</u> said in a statement.

Still, a third Republican joined in <u>calling on</u> Pruitt to resign Thursday. "I fundamentally disagree with how Pruitt has handled the EPA," Rep. Elise Stefanik said at a town hall meeting.

HART WEIGHS IN: Energy lobbyist Steven Hart, whose wife Vicki co-owned the condo rented to Pruitt, expressed regret in a statement released to POLITICO. Hart said he was taking the matter "very seriously" and apologized to his wife, "whose fantastic career is being maligned unnecessarily." Hart also reiterated that the condo was not owned by his firm Williams & Jensen, its partners or any other employees of the firm. "[A]ny suggestion that Administrator Pruitt's short-term rental of one of its bedrooms in 2017 resulted in undue influence for the firm or its clients with business before the EPA is simply false," Hart said. "I am confident in these facts, and certain that all fair and impartial assessments of the matter will conclude accordingly."

WE MADE IT TO FRIDAY! I'm your host Kelsey Tamborrino. The Natural Resources

Defense Council's Ed Chen was first to guess the first president to receive a Ph.D. was Woodrow Wilson, who got a one in political science from Johns Hopkins University. Another presidential question for today: Which president started his career as a male model, landing a spot on the cover of Cosmopolitan? Send your tips, energy gossip and comments to <a href="mailto:ktamborrino@politico.com">ktamborrino@politico.com</a>, or follow us on Twitter <a href="mailto:@kelseytam">@kelseytam</a>, <a href="mailto:@Morning\_Energy">@Morning\_Energy</a> and <a href="mailto:@POLITICOPro">@POLITICOPro</a>.

Pro subscribers: Are you getting all the content you want? Make sure your keywords are up to date and customized via your settings page at <a href="http://politico.pro/liDALk9">http://politico.pro/liDALk9</a>.

POLITICO Space is our new, free weekly briefing on the policies and personalities shaping the second space age in Washington and beyond. **Sign up today to start receiving the newsletter right at launch on April 6.** *Presented by Boeing.* 

IG REQUESTS ABOUND: Democratic Sens. <u>Tom Carper</u> and <u>Sheldon Whitehouse</u> <u>asked</u> EPA's inspector general to expand an existing investigation into Pruitt's alleged use of a special hiring authority to give raises to two aides, Pro's Alex Guillén <u>reports</u>. Alex also <u>confirmed</u> earlier Wednesday that the IG is reviewing requests to investigate Pruitt's \$50-a-night lease agreement — the first step before determining whether to launch a formal probe. Opposition research group American Bridge 21st Century added itself to the list Thursday, sending <u>a letter</u> to the IG requesting an investigation into Pruitt's rental.

— Another new letter to the IG emerged Thursday from Carper, who raised questions last week — before Pruitt's scandal saga hit fever-pitch — about <u>Samantha Dravis'</u> prior work experience. Specifically, Carper wrote he had been informed that Dravis "did not attend work or preform her duties for much if not all of the months of November 2017 - January 2018." Read it <u>here</u>.

**AD-ING IT UP:** American Bridge is also launching new digital ads focused on Pruitt's "corrupt spending." The ads will run on Twitter and will target those tweeting about Pruitt, directing them to their <u>petition page</u>.

202 AND YOU: The president promised a crowd in West Virginia Thursday he'd review the use of emergency authority to prop up coal and nuclear power plants, a provision referred to as Section 202c of the Federal Power Act. "We'll be looking at that 202. You know what a 202 is? We'll be looking at that," Trump said. "We're trying. Nine of your people just came up to me outside, 'Could you talk about 202?' We'll be looking at that as soon as we get back." The use of the provision has resurfaced after Ohio-based FirstEnergy Solutions submitted an unusual request to the Energy Department just before it filed for bankruptcy protection, asking that department to use its authority to provide four-year contracts to many coal and nuclear power plants in the PJM Interconnection. Read more <a href="here">here</a> from Pro's Eric Wolff.</a>

**WIND POWERS ZINKE REMARKS:** Interior Secretary Ryan Zinke will speak at noon today about U.S. offshore wind initiatives at the International Offshore Wind Partnering

Forum in Princeton, N.J. Bureau of Ocean Energy Management's program manager of offshore renewable energy, James Bennett will speak at the forum earlier in the day about the agency's thoughts on offshore wind in the Atlantic. "We want the federal government to be our partners, and we are ready to work with Secretary Zinke, who recognizes offshore wind has become more valuable in terms of both environmental and economic benefits," said Liz Burdock, executive director of the Business Network for Offshore Wind, earlier this week.

GAO TELLS CONGRESS TO BAN COAL SELF-BONDING: Congress should pass a law barring coal companies from using "self-bonding" to ensure they will clean up old mine sites, according to a <a href="new report">new report</a> from the Government Accountability Office. Most coal-related financial assurances are done through surety bonds secured from other companies or by putting up collateral. But 12 percent of assurances in 2017, representing \$1.2 billion, were done via self-bonding, in which a coal company essentially promises it has the money to cover clean-up costs, according to GAO's report.

Recent high-profile coal bankruptcies "have highlighted risks" that the Interior Department and the states face to be left holding the bag if coal companies go under without remediating their mines, GAO concluded. It's "a risk that may be greater today than when self-bonding was first authorized under" the Surface Mining Control and Reclamation Act of 1977, the agency added. Hardrock miners, the agency noted, were barred from self-bonding back in 2001.

MAIL CALL! Senate Energy and Natural Resources ranking member Maria Cantwell sent a letter Thursday to Zinke requesting he withdraw his park fee increase proposal. "I am unable to see how doubling or tripling a park entrance fee is anything other than an effort to exclude many Americans from enjoying their national parks," Cantwell wrote. The Associated Press reported earlier this week that the department was walking back the proposal after public outcry. Read Cantwell's letter here.

COME FOR THE CHERRY BLOSSOMS, STAY FOR THE OIL INFRASTRUCTURE?

A 10-foot oil derrick and construction crew will be strategically placed on the National Mall today, to draw attention to potential drilling on public lands. The display comes via The Wilderness Society's "Too Wild to Drill" campaign. If you go: The display will be up on the Mall between 14th and 15th Streets from 10 a.m. to 4 p.m.

CfA SUES FOR TAR CREEK DOCS: The Campaign for Accountability filed a lawsuit against EPA on Thursday to force the agency to comply to a Freedom of Information Act request about a northeastern Oklahoma Superfund site. The lawsuit requests documents between officials at EPA and news organizations, including POLITICO, regarding the Tar Creek Superfund cleanup site. The site was the subject of a recent feature in POLITICO Magazine. Read the suit here.

— The Renewable Fuels Association submitted FOIA requests to EPA and DOE regarding waivers issued for small refineries from complying with the Renewable Fuel Standard. Read it <a href="here">here</a>.

### **QUICK HITS**

- U.S. companies on edge over tariff threat to supply chains, Financial Times.
- Quietly, Trump officials and California seek a deal on car emissions, <u>The New York</u> Times.
  - Conservative allies rally in bid to save embattled EPA head, Bloomberg.
  - Documents show Shell grappled with climate change years ago, E&E News.
- How Lisa Murkowski mastered Trump's Washington, The New York Times Magazine.
- This Texas school that inspired "Friday Night Lights" is overcrowded amid oil boom, The Texas Tribune.

#### HAPPENING TODAY

- 8:00 a.m. The Business Network for Offshore Wind holds <u>International Offshore Wind Partnering Forum</u>, Princeton, N.J.
- 9:00 a.m. The Henry L. Stimson Center <u>seminar</u> on "Solving the Unsolvable: Nuclear Waste Solutions for the New Millennium," 1211 Connecticut Avenue NW
  - 9:30 a.m. The National Capital Region <u>Water Resources Symposium</u> on water management in urban environments, 4340 Connecticut Ave NW
- 10:00 a.m. The Millennium Challenge Corporation discussion on work in the water, sanitation and irrigation sector, 1099 14th Street NW
- 12:30 p.m. Young Professionals in Energy DC <u>afternoon tour</u> of Covanta's Energy-from-Waste facility, Alexandria, Va.

#### THAT'S ALL FOR ME!

To view online:

https://www.politicopro.com/newsletters/morning-energy/2018/04/pruitt-watch-what-comes-next-160332

### **Stories from POLITICO Pro**

Pruitt fell behind on payments for his \$50-a-night condo rental Back

By Eliana Johnson and Andrew Restuccia | 04/05/2018 05:21 PM EDT

Environmental Protection Agency chief Scott Pruitt was at times slow to pay the rent on his \$50-per-night lease in a Capitol Hill condo, according to two people with knowledge of the situation — forcing his lobbyist landlord to pester him for payment.

Pruitt's living arrangement is the latest ethical issue to come under scrutiny by the EPA's inspector general's office, which said Thursday it's considering opening an investigation into Pruitt's lease arrangement — a move that would add to reviews of Pruitt's taxpayer-funded first-class travel, his use of special hiring authority to grant raises to aides and his spending on a soundproof phone booth for his office.

The EPA head was renting the condo from health care lobbyist Vicki Hart, whose husband, J. Steven Hart, is an energy lobbyist.

The cavalcade of problems has raised questions about Pruitt's future in the Trump administration.

Though President Donald Trump told reporters "I do, I do," when asked Thursday whether he had confidence in Pruitt, an administration official said the president has begun asking friends and advisers what he should do about the EPA chief.

On his way back from an event in West Virginia, Trump said he was considering how to respond to reports about Pruitt's activities. "I have to look at them," Trump said. "I'll make that determination."

But the president said repeatedly that he thinks Pruitt has done "a fantastic job."

"I think he's a fantastic person," Trump added. "I just left coal and energy country. They love Scott Pruitt. They feel very strongly about Scott Pruitt, and they love Scott Pruitt."

Trump's conservative outside advisers have been mounting a defense of the EPA chief, urging the president not to succumb to what they argue is an unfair pile-on by the media.

White House officials, conscious of how quickly the president's mind can change about defending or dismissing top advisers, have avoided publicly making any definitive statements about how long Pruitt will remain in his job. "I can't speak to the future of Scott Pruitt," White House spokesman Hogan Gidley said Thursday. "If the president has confidence in somebody, they stay."

But behind the scenes, White House officials are frustrated with the way Pruitt has handled the crisis. While in many cases, the president has unilaterally dismissed Cabinet members and senior advisers against the advice of his top aides, Pruitt's situation is a rare instance in which the president has remained loyal longer than other members of the White House staff, who are eager to see Pruitt gone.

West Wing frustration with Pruitt spiked after a Fox News interview on Wednesday that one White House official called a "disaster."

Trump, who watched the interview, was said to be unhappy with Pruitt's performance, the aide said, adding that the EPA chief appeared to be unprepared for tough questions from Fox News correspondent Ed Henry.

Pruitt, for his part, has gotten conflicting messages from the White House.

During a phone call on Monday, Trump encouraged Pruitt to defend himself after the EPA chief complained that the press was out to get him, according to a person familiar with the conversation — which Pruitt interpreted as a green light from Trump to do a series of media interviews in a bid to tamp down the scandals engulfing him.

But Kelly and other White House officials have found Pruitt's efforts at a response to be lackluster and counterproductive. Kelly called Pruitt after Wednesday's Fox News interview to discourage him from doing more press.

In a separate phone call on Tuesday, Kelly pressed Pruitt about whether more damaging revelations were coming, the White House official confirmed. The Daily Beast first reported Kelly's comments. It is unclear how Pruitt responded, but the next day, The Atlantic broke the news that Pruitt circumvented the White House to grant raises to two employees.

And late Thursday, Pruitt faced a new batch of damaging reports, including one from The New York Times that <u>detailed</u> how at least five EPA officials were pushed out of their jobs or resigned after questioning the EPA chief's expensive spending habits.

Pruitt's lease agreement, first reported last week by Bloomberg News, has become a point of contention because political appointees sign an ethics pledge prohibiting them from accepting gifts from lobbyists — which would cover cut-rate lodging.

A lease agreement covering February through April 2017 indicated Pruitt's rent was "payable on the 1st day of each month, in installments of \$500 on March 1, 2017 and any remaining balance on April 1, 2017 based on days of actual occupancy," according to a memo obtained by the Campaign Legal Center.

Had Pruitt stayed in the condo every night in a given month, he would have owed \$1,500 — but canceled checks reviewed by Bloomberg show Pruitt made a payment of \$1,700 on Sept. 1, suggesting he eventually paid his back rent.

A spokesman for Pruitt declined to comment.

The uncertainty about Pruitt's fate comes in the wake of Trump's successive dismissals last month of Secretary of State Rex Tillerson, national security adviser H.R. McMaster and Veterans Affairs secretary David Shulkin.

His situation may more closely resemble that of former "Apprentice" contestant Omarosa Manigault, who was fired in December of last year despite the president's initial objections after Kelly convinced him that her abuse of a White House car service, among other things, was a scandal in the making.

Pruitt was among a handful of Cabinet-level officials slapped on the wrist last month by Kelly, who called him into the White House to drill home the notion that — legality aside — "optics matter." CNN first reported on the meeting.

Pruitt has made clear he wants to keep fighting. He pushed back on allegations in the interview with Fox News on Wednesday. In the interview, Pruitt described his housing arrangement as "an Airbnb situation" and said EPA ethics officials had signed off on it.

An EPA ethics official clarified later Wednesday that he had concluded only that the \$50-pernight lease did not constitute an improper gift but did not investigate whether Pruitt's arrangement ran afoul of other ethics rules.

Asked by Fox whether renting a room from a Washington lobbyist was inconsistent with Trump's promise to drain the swamp, Pruitt replied: "I don't even think that that's even remotely fair to ask that question."

To view online click here.

### Back

### Trump: Pruitt's 'done an incredible job' Back

By Kelsey Tamborrino | 04/05/2018 05:17 PM EDT

President Donald Trump today praised Scott Pruitt but said he would look into reports of ethics questions that have been raised about the EPA administrator.

"I think he's done an incredible job," Trump said of Pruitt, according to a pool report. "He's been very courageous. It hasn't been easy, but I think he's done a fantastic job."

Pruitt has come under scrutiny for a slew of <u>reports</u> concerning a \$50-per-night condo he rented from a lobbyist last year, as well as previous questions surrounding his travel costs and security spending. When asked about the reports today, Trump suggested he had not read all the details.

"I have to look at them," Trump told reporters aboard Air Force One. "I'll make that determination. But he's a good man."

The president was returning from an event in White Sulphur Springs, W.Va., on the recent tax cuts, where he said the residents were in support of Pruitt.

"You know, I just left coal and energy country," Trump said. "They love Scott Pruitt. They feel very strongly about Scott Pruitt."

To view online click here.

### Back

## Third Republican calls on Pruitt to resign Back

By Alex Guillén | 04/05/2018 03:34 PM EDT

Rep. <u>Elise Stefanik</u> (R-N.Y.) today called on EPA Administrator Scott Pruitt to resign, becoming at least the third Republican to do so even as more conservative lawmakers come to Pruitt's defense.

"I'm going to make news today," Stefanik said at a town hall meeting in South Glens Falls, about 45 miles north of Albany, according to <a href="The Saratogian">The Saratogian</a>. "I think Scott Pruitt should resign. I fundamentally disagree with how Pruitt has handled the EPA."

Reps. <u>Carlos Curbelo</u> and <u>Ileana Ros-Lehtinen</u>, both Florida Republicans, earlier this week called for Pruitt's ouster, as have a number of Democrats. Pruitt is facing increased scrutiny for ethics issues including the \$50-per-night rent he paid to rent space in a condo from a lobbyist last year.

Meanwhile, conservative Republicans like Sens. Rand Paul (R-Ky.) and Ted Cruz (R-Texas) have come to Pruitt's defense today.

"Why do Obama and his media cronies want so badly to drive @EPAScottPruitt out of office?" tweeted Cruz.

Pruitt "is likely the bravest and most conservative member of Trump's cabinet," <u>tweeted</u> Paul. "We need him to help @realDonaldTrump drain the regulatory swamp."

To view online click here.

### Back

## Democrats ask EPA IG to expand probe into hiring authority to cover aides' raises Back

By Alex Guillén | 04/05/2018 05:10 PM EDT

Two Senate Democrats today asked EPA's inspector general to expand an existing investigation into Administrator Scott Pruitt's use of a special hiring authority to look into allegations that two aides brought with him from Oklahoma received large raises via that authority.

The Atlantic first reported this week that Sarah Greenwalt and Millan Hupp were both denied

large raises by the White House, but that they later received them via special authority that allows Pruitt to make hires via the Safe Drinking Water Act.

Pruitt said Wednesday on Fox News that he had no knowledge of the raises, and was looking into the matter.

In a <u>letter</u> to EPA's IG, Sens. <u>Tom Carper</u> (D-Del.) and <u>Sheldon Whitehouse</u> (D-R.I.) write that if Pruitt's statement to Fox News is accurate, then one or more EPA officials acted without his knowledge. "This could indicate a serious breakdown of internal controls on the appropriate use of this authority," they wrote. "If Pruitt's statements were false, then the SDWA hiring authority may have been intentionally abused under the direction of the Administrator to award large raises to favored aides."

EPA's IG in January <u>announced</u> an investigation into whether Pruitt used the SDWA hiring authority to shield political appointees from the Trump administration's ethics pledge.

To view online click here.

#### Back

# EPA inspector general reviewing allegations around Pruitt rental Back

By Alex Guillén | 04/05/2018 09:04 AM EDT

EPA's inspector general is reviewing requests to investigate Administrator Scott Pruitt's \$50-a-night lease agreement, a spokesman confirmed today — an initial step before determining whether to launch a formal probe.

Democrats from the House and Senate this week <u>called on</u> the IG to review Pruitt's rental of a room in a condo co-owned by the wife of a lobbyist with energy clients.

There are already three other IG investigations underway into Pruitt's specific activities at EPA. The IG is also investigating his travel, his use of a special Safe Drinking Water Act hiring authority and his spending on a soundproof phone booth for his office.

**WHAT'S NEXT:** It is unclear how long the IG will review the allegations before determining whether to open an investigation into the apartment lease. IG probes often take months to complete.

To view online click here.

#### Back

Top Pruitt policy aide Samantha Dravis resigns Back

By Emily Holden and Daniel Lippman | 04/05/2018 09:05 AM EDT

Samantha Dravis, senior counsel and associate administrator of EPA's Office of Policy, submitted her resignation early last week, according to a source familiar with her plans.

People close to the situation said she had been planning to leave for some time, and that her decision is not because of a series of recent negative headlines for Administrator Scott Pruitt, including news that he rented a \$50-a-night condo from a lobbyist and <u>clarification</u> from an ethics official late last night that he didn't have all the facts when he suggested the deal might not violate rules.

Dravis is one of Pruitt's top aides and she had been tasked with numerous new responsibilities, including a regulatory reform task force, and the offices for environmental reviews and environmental justice.

Dravis, who previously was policy director and general counsel of the Republican Attorneys General Association, will pursue opportunities in the private sector.

To view online click here.

### Back

# Trump in West Virginia promises review of emergency authority for power plants Back

By Eric Wolff | 04/05/2018 03:30 PM EDT

President Donald Trump told a crowd in West Virginia today that he'd review the use of emergency authority to prop up coal and nuclear power plants.

Trump said he would review the use of Section 202c of the Federal Power Act, a provision that can be used to keep power plants running that are in danger of retiring. The president was at an event in White Sulphur Springs, W. Va., promoting last year's tax cuts.

"We'll be looking at that 202. You know what a 202 is? We'll be looking at that," he told the crowd. "We're trying. Nine of your people just came up to me outside, 'Could you talk about 202?' We'll be looking at that as soon as we get back."

FirstEnergy Solutions, an Ohio utility company, submitted an unusual request to the Department of Energy last week — days before the company filed for bankruptcy protection — asking that DOE use its authority to provide four-year contracts to as many as 85 coal and nuclear power plants in the PJM Interconnection, a power market consisting of 13 mid-Atlantic and rust belt states.

DOE rejected a request from FES, a subsidiary of the regulated utility FirstEnergy Corp., to use

that authority last year, and FERC rejected a rule proposed by Energy Secretary Rick Perry that would have benefited FES in January.

Alex Guillén contributed to this report

To view online click here.

### Back

## The Environmental Scandal in Scott Pruitt's Backyard Back

By Malcolm Burnley | 12/06/2017 05:57 PM EDT

PICHER, Okla. — Tar Creek, Oklahoma, is breathtaking in a terrible way: At one time the world's deepest source of lead and zinc, the three-town region is now a cratered landscape so poisonous that no one, aside from 10 holdouts, can live there. Mountains of ashlike "chat," a toxic residue from lead-zinc milling, rise majestically among the remains of homes torn from their foundations. Abandoned pets forage around the ruins. A child's teddy bear lies sprawled in a ghostly living room. A gorilla statue fronts an empty high school, atop a sign proclaiming "1A Football State Champs, 1984."

Tar Creek is also part of the environmental legacy of one of the state's—and nation's—leading politicians, Senator Jim Inhofe, and his longtime ally, Scott Pruitt, the former Oklahoma attorney general who is now head of President Donald Trump's Environmental Protection Agency. After the EPA struggled to clean up the area, in 2006, Inhofe endorsed a plan in which a trust overseen by local citizens would use federal dollars to purchase homes and businesses in the toxic region so residents could move elsewhere. Then, when the plan proved so problematic that it spawned more than a half-dozen civil lawsuits and an audit into possible criminal wrongdoing, Pruitt, as the state's attorney general, invoked an exception to state freedom-of-information laws to keep the audit from being an open public record.

Now, that decision is coming into new light as many Oklahomans clamor for the audit to be released, suggesting that its revelations will prove embarrassing to Inhofe, who played a key role in designing the buyout plan, and cast doubt on Pruitt's decision not to move forward with charges. Last week, a Washington, D.C., nonprofit called Campaign for Accountability raised the stakes even further, filing suit in Oklahoma courts to force the release of the audit.

"If you take a look at Scott Pruitt's record, you see a general disregard for transparency," said Daniel Stevens, the group's executive director. "I don't think it's outside our bounds to say that Pruitt is trying to hide evidence of criminal wrongdoing."

Pruitt, in an interview, dismissed the idea that he was covering up anything, saying his former office's grand jury unit reviewed the audit and determined that no charges were warranted. He said he declined to make it public because he didn't want innocent people to be besmirched, even though the auditor rejected that reasoning and maintained it should be a public document. "It was

important to protect the individuals' reputation that were in that investigation," Pruitt said.

Nonetheless, the mess at Tar Creek continues to follow Pruitt in other ways. As EPA administrator, he has assumed full responsibility for the still-faltering cleanup. And eyebrows were raised in Oklahoma this past January when, as Pruitt was awaiting confirmation for his EPA post, a White House spokesperson told Bloomberg News that the handling of Tar Creek was emblematic of Pruitt's philosophy: "national standards, neighborhood solutions."

Pruitt, in the interview, said he knew nothing about the Bloomberg article, saying only that he endorses the EPA's current work at Tar Creek and the principle of combining federal resources and state and local leadership, rather than the buyout that occurred before his time as EPA administrator, while he was Oklahoma's attorney general.

"I think as far as a model going forward outside of the buyout, what we're trying to do is have a renewed focus on what I think are some of the most beneficial things we can do for citizens across the country, and that's to address some of these legacy sites that have substantial environmental challenges that allow them to once again enjoy the communities in their backyard," he said.

But many residents of the Tar Creek area, who gave up their homes in a buyout they considered both coercive and corrupt, continue to blame Pruitt for the fact that no one was prosecuted. They described a program so rife with good-old-boy corruption that certain individuals received outsize payoffs while some homeowners got so little they couldn't relocate anywhere nearby; meanwhile, they said, the people hired to demolish the homes received inflated contracts through a flawed process.

"We were lied to and deceived from Day One," said Gloria Workman, who said her son has learning disabilities from growing up in the polluted zone of Tar Creek, which had lead-poisoning levels in children that were three times higher than those registered in Flint, Michigan, during the peak of its recent water crisis. "Not only were we losing our homes, we were raped in the process."

"It was a nightmare," said Mary Thompson, who was still awaiting a resolution from the trust when an EF4 tornado ripped through Tar Creek in 2008, throwing bodies and trailers through the sky, killing six people and destroying more than 100 homes. Without homes, many people took lower-than-expected buyout offers—however insufficient they were perceived to be—because they had nothing left, she said.

"They preyed on us after the tornado," said Thompson, whose home was leveled.

Nonetheless, Inhofe, in a 2015 news release touting the completion of the buyout, cast it as a success because it did not lead to an expanded federal role.

"This is an example of a government program created for a specific purpose and then dissolves after the job is completed," Inhofe proclaimed.

Now, he continues to defend it but sounds less celebratory. "The first thing to know about the Superfund site at Tar Creek is that it's what's called a 'mega-site' and that it is an exceptional circumstance in every way. You can't compare it to any other Superfund site in the country," Inhofe said in a statement to POLITICO. "The voluntary relocation assistance to get people out of harm's way was right for the situation at Tar Creek, but may not be for every other Superfund—that is why state and local partnership is critical."

To many former residents, who still want the investigative report by the state auditor to see the light of day, even these modest and conditional endorsements feel like slaps in the face.

"People hate the government out here, and it's because of things like this," said Aletha Redden, a lifelong resident of the area who has a Donald Trump bumper sticker on her pickup truck. "I want Scott Pruitt to know: This is not the model."

\*\*\*

A flat expanse of dusty roads and scrubby vegetation situated in the heart of Tornado Alley, the Tar Creek area was once the mainstay of the Quapaw Tribe, which was forcibly relocated there by the U.S. government in 1834. At the time, the territory had little economic value, but a half-century later, prospectors discovered enormously rich ore. By the turn of the 20th century, companies broke ground with drill rigs on Quapaw land.

Many of those firms made fortunes, luring white settlers into an uneasy state of coexistence with the Quapaw. Tar Creek proved to be the deepest reservoir of lead-zinc ore in the world, producing a whopping \$1 billion in minerals between 1908 and 1950, according to the Oklahoma Historical Society. Picher, the largest of the mining towns, swelled to a population of 14,000.

Almost every aspect of life in Tar Creek traced back to the mines. The high school took on the mascot of a gorilla, a reference to workers in the mines who broke up boulders with hammers. Children played in sandboxes filled with chat, the chalky mining debris. Teenagers earned the nickname "chat rats" for climbing up the pillowy piles of toxic rubble throughout town and rolling tires down their slopes.

By the end of World War II, however, the boom was over. Most of the mining companies decamped for richer pastures. For the families left behind—including that of Yankees slugger Mickey Mantle, who grew up in the Tar Creek area in the 1940s—it was a slowly unfolding disaster. The extent of Tar Creek's collapse was reflected in the words of John F. Kennedy, who barnstormed into Joplin, Missouri—25 miles away from Tar Creek—in the closing days of the 1960 presidential campaign.

"My own judgment is I know no tougher occupation in the world that [sic] to be a miner, lead, zinc, coal. I am always glad to meet them because I think they live with peril," Kennedy declared. "They have as tough a life as there is. Every other one whose hand you shake has a finger off, a foot crushed, the chances of in 20 years their having a bad accident are more than any of the rest of us. And yet in this community and in West Virginia and Idaho and in other sections of the United States, there has been no group that has been harder hit, no group that has

been more forgotten."

Indeed, after the last prospector looking for ore packed up and left in the mid-1970s, people looked to casinos and farming to make a living. But the residue from decades of mining was poisoning them. In 1979, acid mine water leached into the ground, threatening the area's aquifers, killing fish and turning creeks a rusty orange color. When the federal Superfund program—designed to clean up the nation's most polluted and contaminated land—kicked off in the early 1980s, Tar Creek was named to the inaugural National Priorities List. It's still on the list.

The EPA has spent more than \$176 million over the past 25 years on cleanup work inside the 42-square-mile-area, on projects from plugging mine shafts to removing contaminated surface soil in people's yards. Though the amount of money sounds large, it hasn't been nearly enough to remove the toxic dangers, and many residents insist the cleanup was mishandled from the get-go. In some cases, the removal of soil resulted in sloping yards, which, during bouts of rain, caused flooding and mold inside houses. In 2000, the FBI raided the offices of the EPA's prime contractor at Tar Creek, Morrison-Knudsen. The company later settled a lawsuit brought by the federal government alleging false representation of billing and progress reports for a sum of \$1 million. In the settlement, the company made no admission of wrongdoing.

Meanwhile, the environmental hazards began to multiply: Shortly after the start of that Superfund spending spree, in 1993, researchers at the University of Oklahoma found that 34 percent of Quapaw children were living with lead concentrations above the federal limit. Further studies found alarming rates of lead and arsenic in both the tribal and non-tribal populations. In 1997, a university-led study estimated that 21 percent of children near Tar Creek had elevated blood-lead levels (defined as 10 micrograms per liter at the time), which is three times higher than the highest measurements found in Flint, Michigan, in 2015. The learning disabilities and memory loss that had plagued the schools and curtailed lifespans for decades suddenly had a culprit.

As the dangers became ever-more visible and the cleanup lagged, residents rallied around the idea that the government should quickly buy them out of their homes, rather than wait for the hazardous materials to be removed. They thought they might have an ally in the state's senior senator, Inhofe, a Republican who was chair of the Senate Environment and Public Works Committee. But Inhofe, who has a skepticism about environmental science that exceeds that of any of his colleagues, refused to consider the idea. "There will never be a buyout. I promise you that," Inhofe told the *Tulsa World* in late 2003.

Inhofe's refusal to take action of any sort was often criticized in local press, due in part to the relentless attacks of a young Democratic congressman named Brad Carson. "If you'd asked people in Oklahoma politics at the time, they'd say we were mortal enemies," said Carson, referring to himself and Inhofe. "I was elected [to Congress] in 2000, and my goal was to untie the Gordian knot. The area is desperately poor. If it was in suburban Tulsa or Oklahoma City, there would've been outrage."

In 2004, Governor Brad Henry signed a bill authorizing the use of state dollars for the relocation

of roughly 100 families with children under the age of 6. Under pressure to take further action, the senior senator began to come around. At first, he secured \$2 million in federal funding to pay for a study that discovered that 286 homes within Tar Creek were at risk of being swallowed up from cave-ins of underground mine shafts. This provided an opportunity for Inhofe to reverse himself on the buyout, supporting it on the grounds of protecting residents from cave-ins.

"The stability with the underground mine workings was worse than anyone had previously been thought," recalls Ed Keheley, a retired nuclear engineer and native of Picher who co-authored the study's final report. In the spring of 2006, Inhofe announced a joint federal and state buyout program that would begin with \$20 million in funding, with the express purpose of relocating any and all people who'd voluntarily leave Tar Creek.

Having once opposed the buyout to his political detriment, Inhofe now used his clout to keep on funding it, but with the idea that decision-making would be concentrated among local leaders, not the federal government. With Inhofe's support, the Oklahoma legislature created a nine-member panel called the Lead Impacted Communities Relocation Assistance Trust to assume control over the project. The members were all volunteers, helping their community, but some had a vested interest in the buyout: They included, for example, a local banker whose institution would later give loans to people to help them relocate; local property owners whose own homes—and those of relatives—would be subject to the buyout; town officials; and a leader of the Quapaw Tribe.

Inhofe cast himself in the role of the community's protector, putting out a 2008 campaign ad that declared: "Tar Creek: poisoned earth, the threat of schools and churches sinking into abandoned mines. Everyone thought it would be too much to tackle, except for one stubborn man named Inhofe."

But over a five-year period, the buyout would become the subject of a host of civil lawsuits and the subject of a state investigation.

\*\*\*

The local members of the trust—few, if any, of them schooled in environmental management—had two major tasks: figuring out how much each property owner should be paid for their home or business, and then choosing a company to demolish the properties. Both tasks would become the subject of complaints about cronyism, with residents saying the trust members rewarded their friends and politically connected individuals.

It didn't help that the trust often met behind closed doors, and that the vice chairman of the trust resigned within a year. The trust's sole employee, operations manager Sonya Harris, also quit, declaring in her resignation letter that she could no longer continue "with a clear conscience without recommending a change; I will not place myself in a position to be perceived as approving of the operations to this point."

The first case to raise eyebrows involved the mayor of Picher, Ernest "Sam" Freeman. In 2005, when the buyout was first being discussed as a probability, he acquired three large parcels of

former mining land covered with chat from the Picher Development Authority, which he chaired. Freeman bought them at 3 cents per square foot, for a total price of \$2,088.50, according to the findings of a state audit at the time. It was, the audit declared, a violation of state laws forbidding members of public boards from entering into contracts with those boards. Ottawa County District Attorney Eddie Wyant called on Freeman to return the properties to the development authority in lieu of charges.

"If Sam wanted to buy that land, he needed to get off the board and purchase it legally," Wyant told a local newspaper at the time. "I am not one to put anyone in jail over this, but he needs to clear it up." Wyant, when reached by phone, declined to comment further.

Freeman returned the land, but, in a move that enraged some neighbors, profited off it anyway. The trust had decided that, because so much former mining land had been taken over by state authorities and tribal members, those who owned mobile homes or other shelters on land they didn't own would be eligible for buyouts. Freeman made a claim based on the fact that he had been maintaining and renting out homes on the chat-infested property for years before he tried to buy it.

Trust documents show that Freeman received at least \$274,000 from the buyout, more than half of which came from the same lots he had been ordered to return by law enforcement. (Freeman told POLITICO a payout of more than a quarter-million sounded accurate enough, though he declined to provide an exact figure.) Neighbors suspected cronyism. Freeman, who is no longer mayor, denied receiving any preferential treatment. "These people thought I bought the lots to make a killing in the buyout," he said. "I don't think I got more than anyone else would have."

The size of the mayor's profit diminished public confidence in the trust, just as it was engaged in the most delicate part of its task, figuring out how much to pay each individual property owner. Property owners were supposed to receive fair market prices as if pollution hadn't existed in Tar Creek, based on the sales of similar properties elsewhere in northeast Oklahoma. But those calculations appeared to lack uniformity.

The average payout for the 695 properties involved in the buyout was just over \$65,000, but the disparity in prices between two properties could be dramatic. Residents complained about lowball offers on some decent properties and overly high payouts for others that were rundown or minuscule in size.

"I got \$3,000 for my gun shop. It took me \$16,000 to build it," said former Tar Creek resident John Frazier.

Wally Long said he and his wife got \$35,000 for their Dairy Queen, while another Dairy Queen right up the road got substantially more.

"We were told [by the trust] that's all the money there is," Long said. "It bothered my wife a lot. She put 23 years of her life into this business."

Meanwhile, a trust member named Janell Trimble got \$185,000 for her house, and her brother

collected \$115,000 for his fiberboard house.

"I may be a member of the [relocation trust's committee], but I honor my duties and I recuse myself when family members are involved," Trimble told the <u>Tulsa World in 2008</u>. "[B]ut as a buyout participant I also expect to be treated just like the next person."

Nonetheless, both Trimble and her brother received more than 35 percent above the average price per square foot. On the other end of the spectrum, an elderly woman named Betty Betts received an offer of \$12,000 for her home; when she protested, the appraised value was raised to \$20,000. Many people got so little for their homes that they had to turn around and take out loans in order to resettle elsewhere in Oklahoma. In the end, the trust finished up with millions in unspent funds.

Residents concentrated their anger on the company that the trust hired to conduct the appraisals, Cinnabar, which had previously made headlines for its management of a noise-insulation program at the Tulsa Airport, which involved <a href="mailto:multiple lawsuits">multiple lawsuits</a>. In response, the trust engaged an "appraisal reviewer" to go back over Cinnabar's work. But the reviewer, a company named Van Tuyl Associates, quickly came under criticism as well. "They [often] didn't get out of their car. They never entered these homes," said Keheley, who was a member of the trust at the time. (Van Tuyl Associates is now defunct; its former president could not be reached for comment.)

When the unrest over the buyout made the local newspapers, the trust's leadership pointed to a 95 percent acceptance rate for buyout offers. But some residents accused trustees of pressuring them with "take it or leave it" offers, according to a class-action lawsuit brought against the trustees, Cinnabar and Van Tuyl by more than 250 residents affected by the buyout. Plaintiffs also complained that they were denied the right to view the appraisal paperwork. There was even a fake camera—and posters notifying residents they were being videotaped—in the room where buyout offers were made, an apparent attempt to compel residents to take the offers, according to documents in the suit.

The suit, filed in Oklahoma district court, accused the defendants of cheating average property owners and rewarding friends and associates of the trustees. Depositions revealed an explanation for some of the inconsistencies in appraisals: For certain properties, Cinnabar expanded the boundaries of where it could find "comparables"—properties in adjacent counties whose sale prices were used to calculate the appraisals—with the approval of a state employee named J.D. Strong, who, according to the lawsuit, played a significant role in overseeing the trust.

One of the properties appraised in this fashion was that of Trimble, whose \$185,000 payout, according to appraisal documents, had infuriated other residents.

When, in 2008, residents outlined their frustrations in a scathing six-page letter to Inhofe, Henry and other elected officials, Strong dictated the governor's reply, which was co-signed by Inhofe, lawyers for the plaintiffs asserted in his deposition. "I may have drafted this," Strong responded, when presented with a copy of the letter saved on Strong's computer.

In an interview, Strong defended the trust and its system of appraisals: "We knew going in that

we weren't going to be the most popular. We went in with the idea that we were going to be fair. I can honestly say that, looking back, we were fair and unbiased and frugal."

During the six years the lawsuit was making its way through the state court system, both Cinnabar and Van Tuyl Associates declared bankruptcy. Eventually, the plaintiffs and the trust settled the case in 2015 for \$1.3 million, which, after deducting attorney fees, meant that each resident ended up receiving an additional \$2,600.

But that didn't satisfy many property owners.

"The people of Tar Creek were treated like second-class citizens, based on where they were born and lived," concluded Wally Kennedy, a columnist at the *Joplin Globe* who reported on northeast Oklahoma, including Tar Creek, for more than 30 years. "For someone to portray the buyout of the people of Tar Creek as a successful program is lying through their teeth."

\*\*\*

**Once the trust** obtained the properties on the toxic land, the next problem was how to destroy the empty structures that were on them.

Inhofe made sure there was enough money for the job. Even as he joined fellow Republicans in condemning President Barack Obama's 2009 stimulus bill as an unwarranted giveaway, the senior senator helped secure an additional \$15.7 million in the bill to help the trust finish its work.

The trust hired a local businessman named Jack Dalrymple to oversee bids for the demolition contract. He was best known for organizing an annual deer hunt for paralyzed veterans, an endeavor that earned him a lifetime achievement award from a local Chamber of Commerce. His payment was to be 10 percent of the value of the winning bid. He formulated a scoring system to evaluate bids and, in March 2010, the trust awarded the contract to Stone's Backhoe, which offered the most expensive of all four bids. At \$2.1 million, Stone's bid was nearly four times that of the lowest bidder.

Just 14 days after Stone's was declared the winner, it asked that the contract be reassigned to two subcontractors, CWF Enterprises, a carpet-cleaning business, and Vision Construction and Management. Former residents contend that there were longstanding ties between Dalrymple and the subcontractors. Whether or not they were friends before, they soon became hunting buddies. In October 2012, local coverage of Dalrymple's annual event for paralyzed veterans pictured the heads of the two firms setting up the flag for the hunt.

One of the losing contractors filed suit against the trust and individual trustees in Oklahoma district court, accusing them of violating the state's open-meeting act and competitive bidding act. The district county judge sided with the plaintiff, reopening the bidding process.

But rather than blame Dalrymple, the trust gave him a new contract. It included a flat rate for his services, \$305,472—about \$100,000 more than he would have received had the contract

remained with Stone's.

In January 2011, a \$1.7 million demolition contract was awarded to none other than CWF Enterprises, the carpet-cleaning business, whose bid was also the least expensive of the three received. A month later, however, the estimated cost of the contract ballooned to \$3,050,786—almost exactly 10 times what Dalrymple received in his new contract.

While many residents cried foul, Andy Lester, the trust's attorney, attributed the increase to the fact that the EPA-controlled repository for dumping debris had just closed down. Trekking the remains of the houses and businesses to a dumping ground further away caused the massive change order, and a near doubling of the contract.

Lester also defends the choice of Dalrymple to handle the bids, contending that he was an engineer with some prior experience with public contracts and that the trust members couldn't handle the process on their own.

"It is important to remember that the trust board consisted of nine members—including, for example, a physician, a school teacher, and a mushroom farmer. They were volunteers, not professionals at this kind of work," Lester said. "Jack Dalrymple is a professional engineer with significant experience. And candidly, there are very few professional engineers in northeast Oklahoma."

Nonetheless, lawyers out of the Tulsa region filed a lawsuit in 2012 under the False Claims Act that accused the trust members, Dalrymple and the heads of the companies hired to do demolition work of being part of a "good old boy network" and defrauding federal taxpayers.

Attorneys for the plaintiffs, Zach and Brad Barron, say the lawsuit fizzled when the Department of Justice took the stance that "the government didn't sustain damages" from the charges laid out in the complaint. In a false claims lawsuit, where the plaintiffs are effectively trying to recoup money that's owed to the government, a lack of willingness from the government is effectively a death knell, the Barrons said. The lawsuit was eventually dismissed.

In an interview, Dalrymple insisted the allegations of cronyism were entirely unfounded.

"There were a lot of emotions and feelings during that period," he said. "When you ask someone to leave their home, it's a tough thing. But ... there was nothing there."

\*\*\*

**Still, the drumbeat** of complaints continued, eventually reaching the ear of Jerry Morris, the state director for Oklahoma's then-junior senator, Republican Tom Coburn.

It was no secret that Coburn, a physician who cast himself as a political outsider, didn't look upon Inhofe with any sort of fond feelings of mentorship.

"I think they were often seen as having very different approaches to politics," said David Blatt of

the Oklahoma Policy Institute. "Inhofe is seen as a classic, pork-barrel politician who'd bring federal dollars to Oklahoma, the more the merrier." Whereas Coburn, Blatt says, "hated that kind of politics and did as little of it as he possibly could. In fact, he spoke disdainfully and caustically about it the whole time he was in the Senate."

Coburn was not shy about stepping on his fellow Republican's toes. Morris forwarded a memo with a lengthy list of allegations related to the awarding of contracts in the Tar Creek buyout, especially regarding the demolition work, to then-Attorney General Pruitt. In April 2011, Pruitt asked the state auditor and inspector, Gary Jones, to look into the memoranda sent from Coburn's office.

"I have determined that these concerns are serious in nature such that an investigation of the matter is warranted," Pruitt wrote to Jones. A 17-point list of allegations for Jones to investigate followed, including whether there was collusion between Dalrymple and the contractors hired to do the demolition work.

After spending almost two years on the investigation, Jones turned over the results of the audit to the attorney general's office in January 2014, apparently believing it had uncovered important information.

For a year and a half, the attorney general sat on the findings. Then, in May 2015, Pruitt announced that he wouldn't press charges. In addition, he vowed to keep the audit secret by refusing to release it.

Jones fired back at the attorney general's office days later, penning a letter to Pruitt that described his rationale for withholding the audit as "baffling."

"To our knowledge, the individuals named in the report are members of a public trust or contractor whose services were retained as part of this substantive project," Jones wrote. Further, he contended, "our office has received no inquiries from you or your staff regarding the content of the audit report."

Pruitt justified the secrecy by comparing the investigation results to the findings of a grand jury. "Specifically, our office is concerned about publication of unsubstantiated criminal allegations against private citizens," Pruitt wrote in a 2015 statement.

In the interview with POLITICO, Pruitt appeared to go one step further, suggesting the audit had in fact been vetted by a grand jury.

"You're addressing issues that it's been some months since I've looked into," Pruitt said. "I know the decision I made at that time was based upon the investigative audit. The investigative audit didn't yield anything to the grand jury, and, as such, it was important to protect the individuals' reputation that were in that investigation."

But when asked to clarify, a Pruitt staff member indicated that he was using the term "grand jury" as shorthand for the Multi-County Grand Jury Unit, a division of the AG's office, headed at

the time by a Pruitt appointee, which decides whether to take cases to a grand jury for indictment.

It's not the same as a grand jury finding. Nonetheless, the attorney general's office, now overseen by Mike Hunter, Pruitt's former top deputy, has denied all open records requests for the audit, declaring it to be "under the supervision of the Multi-County Grand Jury Unit." A spokeswoman for the Oklahoma attorney general's office said that if there was in fact a grand jury, the office couldn't confirm or deny that.

These rationales befuddle open records experts.

"I don't think there's anything in the law that would prohibit it [the investigation] from being released," said Joey Senat of Oklahoma State University, the former president of FOIA Oklahoma. "The law doesn't require that the audit be kept secret. What would its release be harming? They've closed the investigation and decided not to prosecute."

Jones, who is now running for governor, reiterated his call for the attorney general's office to release the audit, saying in a statement that "regarding any investigation of this kind, we always err on the side of transparency and the people of Oklahoma have a right to know."

Concluded Senat: "When you have the state auditor [Gary Jones] saying these are not unsubstantiated claims and this is a serious problem, good government would call for letting the public know what happened and showing the public the audit. Transparency helps alleviate a lot of concerns about favoritism, corruption, and incompetency—if those are indeed unfounded."

\*\*\*

**Tar Creek today** looks like an abandoned landfill. Illegal dumping has added a fresh layer of grime to the already ruined patch of earth. Giant craters from collapsed mine shafts, some as large as 200 feet in diameter, are filled with Bud Light cans, shotgun shells and the tangled remains of kids' playground equipment. "We call this urban renewal, Picher style," quipped former resident Gloria Workman.

Abandoned houses that were not part of the buyout are now coated with graffiti. The charred remains of the former mining museum in Picher, which burned down at the hands of arsonists, stands as a teetering monument to Tar Creek's former way of life. And the sense of danger and destruction extends beyond the former buyout area: On rainy days, local fields used for football practice bleed a toxic shade of orange.

The EPA is continuing its now 33-year-old cleanup effort, and it's thrust the Quapaws back into stewardship of the land. Although the tribe leased away or sold off significant chunks of Tar Creek to mining companies throughout the 20th century, the Quapaws have at least temporarily regained control of all of it. Since 2012, the tribe—a sovereign nation with roughly 5,500 members—has been the primary EPA contractor for environmental remediation at Tar Creek. It's the first time any tribe has been a prime contractor on a Superfund site, assigning all the contracts and overseeing all the work.

"It's a great story," said Craig Kreman, assistant environmental director of the Quapaw tribe. "We're employing tribal members a lot of the time and members of the community. So that income [from the EPA contract] stays here in this community and is being spent in this community. We're not hiring a contractor out of Georgia."

Every day, a steady stream of trucks haul away more than 2,000 tons of soil saturated with cadmium, lead and other metals at the site. Each patch of earth requires years of passive soil treatments before it tests clean enough to plant row crops like winter wheat. Half-acre by half-acre, the hope is that Tar Creek can be put into productive agricultural use decades from now.

In August, after touring the abandoned area and surrounding towns, Pruitt's senior adviser Albert "Kell" Kelly, praised the EPA's efforts surrounding Tar Creek in sweeping terms: "People from all across the country count on the Superfund program to address pollution and revitalize their communities. Tar Creek cleanup is an excellent example of how the program should work. State and local partners, tribal partners, and EPA—all working together year after year to address historical pollution at this mega-site. It's cooperative federalism working at its best."

But many local observers, including Ed Keheley, aren't nearly as positive.

"Usually, the EPA comes in, they do their dirty work, sprinkle some wheat seed, take a picture to show Congress, and next year it looks like this," he said, pointing to a barren pasture. "Clearly, the EPA hasn't had the best interests of the people at heart. So I get personally offended when people like Scott Pruitt suggest otherwise."

For his part, Pruitt announced a fresh grant of \$5 million to the Quapaw-led project last May, and he is quick to distance this experiment in local control from the one that preceded it.

"We [the EPA] can't impact the buyout. We didn't authorize the buyout. I didn't manage the buyout and its unique situation," Pruitt said. "I think what's most tangible is what we can do together with the tribe to advance and continue remediation."

When asked to respond to the undying complaints of residents in rural Ottawa County, where Tar Creek is located—a county in which Trump received 71 percent of the vote in November 2016—Pruitt changed the subject. "I had no experience with Tar Creek, to be honest with you," he said.

That's true, except it was his office's decision, when he was attorney general, not to prosecute the people accused of mishandling the trust money, Keheley and other local residents point out.

But what galls them more than the failure to prosecute is the failure to release the results of a government investigation—an audit that they believe will raise questions about Pruitt's unwillingness to press charges and cast a negative light on a project near and dear to Inhofe's heart.

Pruitt's connections to Inhofe are extensive. One of Pruitt's first hires as EPA chief was Ryan

Jackson, a longtime Inhofe staffer and the senator's point person on Tar Creek, who is now Pruitt's chief of staff. He also brought on four other former aides to Inhofe, the Senate's leading proponent of the idea that man-made pollution contributing to climate change is a conspiracy and a hoax. Three of them are Pruitt's senior advisers on air, climate and legal issues.

"It gives me a level of comfort to know that we have a bureaucracy that's actually going to be serving instead of ruling," Inhofe told the *Washington Post*, applauding Pruitt for hiring his staff.

Numerous veteran Oklahoma political watchers, some of whom spoke to POLITICO on condition of anonymity, suggest that there may be an ulterior motive in Pruitt's embrace of Inhofe: It's widely believed that Pruitt, who is 49, wants to run for Inhofe's seat when the senator retires. Many observers think Inhofe is unlikely to seek reelection in 2020, when he'll be 85. And some have noted that Pruitt's decision not to advance the case against the buyout trust spared Inhofe the embarrassment of seeing the program he personally tailored and promoted go down in scandal.

"Pruitt is a rising Republican political star previously in Oklahoma and now nationally," said one journalist who closely follows the Oklahoma political scene. "There have been rumblings that Pruitt might have his eye on higher office. ... Pruitt would do everything to keep Inhofe close, assuming he wants to run for that seat."

Joplin Globe columnist Wally Kennedy, who has covered the Tar Creek trust more closely than any other journalist, said, "My sense of the way that unfolded was that Pruitt decided he was not going to do any kind of prosecution, and then Inhofe writes a letter saying what an outstanding job the trust did. My reaction was 'Huh?'"

"The fact that the audit was not publicly disclosed tells me that somebody is hiding something," he added. "This is Oklahoma taxpayers' money being committed to ratting out what appears to be some apparent corruption. But everybody looks the other way. That's why I'm talking to you. Because if you can shed a light on this, maybe somebody will say 'We need to take a second look at this.""

Pruitt, however, insists his decisions were strictly based on the law, and an Inhofe staffer flatly dismissed the possibility of Inhofe influencing Pruitt's decision.

"Senator Inhofe would have had no involvement in the case or in any of then-Attorney General Pruitt's decisions," the staffer said.

Pruitt was similarly bemused by the idea that there would have been any sort of political calculation behind his decision to shield the audit. The only politics in this case, he suggested, was on the part of those who want to embarrass him and Inhofe.

"You would think that this wouldn't be a political issue, that people wouldn't put on the red and blue jerseys," Pruitt said in frustration.

Others argue that transparency in this case is not a political issue as much as a legal right.

"The open records act seems pretty clear this audit should be released," said Stevens, executive director of Campaign for Accountability. "You have to ask why he's not releasing it? Pruitt should have to be held accountable for this."

To view online <u>click here.</u>

# Back

Was this Pro content helpful? Tell us what you think in one click.			
<u>Somewhat</u>	<u>Neutral</u>	Not really	Not at all
You received this POLITICO Pro content because your customized settings include:			
Morning Energy. To change your alert settings, please go to			
https://www.politicopro.com/settings			
This email was sent to dravis.samantha@epa.gov by: POLITICO, LLC 1000 Wilson Blvd. Arlington, VA, 22209, USA			
(	Somewhat OLITICO Pro color change your ale pro.com/settings	Somewhat Neutral  OLITICO Pro content because you ochange your alert settings, please pro.com/settings  o dravis.samantha@epa.gov by: POL	Somewhat Neutral Not really  OLITICO Pro content because your customized setting change your alert settings, please go to pro.com/settings  o dravis.samantha@epa.gov by: POLITICO, LLC 1000